SUBSTITUTE HOUSE BILL 1955

State of Washington 60th Legislature 2007 Regular Session

By House Committee on Transportation (originally sponsored by Representatives Wood, B. Sullivan, Kristiansen, Condotta, Crouse and Lovick)

READ FIRST TIME 3/5/07.

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- 1 AN ACT Relating to establishing licensing requirements for certain
- 2 vehicle dealers; amending RCW 46.09.020, 46.70.011, 46.10.010, and
- 3 46.10.043; adding a new section to chapter 46.70 RCW; and repealing RCW
- 4 46.09.080, 46.09.085, 46.10.050, and 46.10.055.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 46.09.020 and 2004 c 105 s 1 are each amended to read 7 as follows:
 - The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 10 (1) "Advisory committee" means the nonhighway and off-road vehicle 11 activities advisory committee established in RCW 46.09.280.
- 12 (2) "Committee" means the interagency committee for outdoor 13 recreation established in RCW 79A.25.110.
- 14 (3) (("Dealer" means a person, partnership, association, or 15 corporation engaged in the business of selling off-road vehicles at 16 wholesale or retail in this state.
- 17 (4)) "Department" means the department of licensing.
- 18 (((5))) (4) "Highway," for the purpose of this chapter only, means 19 the entire width between the boundary lines of every roadway publicly

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maintained by the state department of transportation or any county or city with funding from the motor vehicle fund. A highway is generally capable of travel by a conventional two-wheel drive passenger automobile during most of the year and in use by such vehicles.

- $((\frac{6}{}))$ (5) "Motorized vehicle" means a vehicle that derives motive power from an internal combustion engine.
- $((\frac{1}{2}))$ (6) "Nonhighway road" means any road owned or managed by a public agency or any private road for which the owner has granted an easement for public use for which appropriations from the motor vehicle fund were not used for (a) original construction or reconstruction in the last twenty-five years; or (b) maintenance in the last four years.
- $((\frac{(8)}{(8)}))$ $\underline{(7)}$ "Nonhighway road recreation facilities" means recreational facilities that are adjacent to, or accessed by, a nonhighway road and intended primarily for nonhighway road recreational users.
 - ((+9)) (8) "Nonhighway road recreational user" means a person whose purpose for consuming fuel on a nonhighway road or off-road is primarily for nonhighway road recreational purposes, including, but not limited to, hunting, fishing, camping, sightseeing, wildlife viewing, picnicking, driving for pleasure, kayaking/canoeing, and gathering berries, firewood, mushrooms, and other natural products.
- $((\frac{10}{10}))$ <u>(9)</u> "Nonhighway vehicle" means any motorized vehicle including an ORV when used for recreational purposes on nonhighway roads, trails, or a variety of other natural terrain.

Nonhighway vehicle does not include:

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- 26 (a) Any vehicle designed primarily for travel on, over, or in the 27 water;
 - (b) Snowmobiles or any military vehicles; or
- (c) Any vehicle eligible for a motor vehicle fuel tax exemption or rebate under chapter 82.36 RCW while an exemption or rebate is claimed. This exemption includes but is not limited to farm, construction, and logging vehicles.
- $((\frac{(11)}{(11)}))$ $\underline{(10)}$ "Nonmotorized recreational facilities" means recreational trails and facilities that are adjacent to, or accessed by, a nonhighway road and intended primarily for nonmotorized recreational users.
- 37 $((\frac{12}{12}))$ "Nonmotorized recreational user" means a person whose 38 purpose for consuming fuel on a nonhighway road or off-road is

primarily for nonmotorized recreational purposes including, but not limited to, walking, hiking, backpacking, climbing, cross-country skiing, snowshoeing, mountain biking, horseback riding, and pack animal activities.

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- ((\(\frac{(13)}{13}\))) (12) "Off-road vehicle" or "ORV" means any nonstreet licensed vehicle when used for recreational purposes on nonhighway roads, trails, or a variety of other natural terrain. Such vehicles include, but are not limited to, all-terrain vehicles, motorcycles, four-wheel drive vehicles, and dune buggies.
- 10 $((\frac{14}{14}))$ (13) "Operator" means each person who operates, or is in physical control of, any nonhighway vehicle.
- (((15))) <u>(14)</u> "Organized competitive event" means any competition, advertised in advance through written notice to organized clubs or published in local newspapers, sponsored by recognized clubs, and conducted at a predetermined time and place.
 - $((\frac{16}{10}))$ (15) "ORV recreation facilities" include, but are not limited to, ORV trails, trailheads, campgrounds, ORV sports parks, and ORV use areas, designated for ORV use by the managing authority that are intended primarily for ORV recreational users.
 - $((\frac{17}{17}))$ (16) "ORV recreational user" means a person whose purpose for consuming fuel on nonhighway roads or off-road is primarily for ORV recreational purposes, including but not limited to riding an all-terrain vehicle, motorcycling, or driving a four-wheel drive vehicle or dune buggy.
 - (((18))) (17) "ORV ((sport[s])) sports park" means a facility designed to accommodate competitive ORV recreational uses including, but not limited to, motocross racing, four-wheel drive competitions, and flat track racing. Use of ORV sports parks can be competitive or noncompetitive in nature.
- $((\frac{(19)}{(18)}))$ (18) "ORV trail" means a multiple-use corridor designated by the managing authority and maintained for recreational use by motorized vehicles.
- $((\frac{(20)}{(20)}))$ "ORV use permit" means a permit issued for operation of an off-road vehicle under this chapter.
- $((\frac{(21)}{(21)}))$ "Owner" means the person other than the lienholder, having an interest in or title to a nonhighway vehicle, and entitled to the use or possession thereof.

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(((22))) (21) "Person" means any individual, firm, partnership, association, or corporation.

Sec. 2. RCW 46.70.011 and 2006 c 364 s 1 are each amended to read as follows:

As used in this chapter:

- (1) "Vehicle" means ((and includes)) every device capable of being moved upon a public highway and in, upon, or by which any persons or property is or may be transported or drawn upon a public highway, excepting devices moved by human or animal power or used exclusively upon stationary rails or tracks. "Vehicle" includes off-road vehicles as defined in RCW 46.09.020 and snowmobiles as defined in RCW 46.10.010.
- (2) "Motor vehicle" means every vehicle which is self-propelled and every vehicle which is propelled by electric power obtained from overhead trolley wires, but not operated upon rails, and which is required to be registered and titled under ((Title 46 RCW, Motor Vehicles)) this title. "Motor vehicle" includes off-road vehicles as defined in RCW 46.09.020 and snowmobiles as defined in RCW 46.10.010.
- (3) "Recreational vehicle" means a travel trailer, motor home, truck camper, or camping trailer that is primarily designed and used as temporary living quarters, is either self-propelled or mounted on or drawn by another vehicle, is transient, is not occupied as a primary residence, and is not immobilized or permanently affixed to a mobile home lot.
- (4) "Vehicle dealer" means any person, firm, association, corporation, or trust, not excluded by subsection (5) of this section, engaged in the business of buying, selling, listing, exchanging, offering, brokering, leasing with an option to purchase, auctioning, soliciting, or advertising the sale of new or used vehicles, or arranging or offering or attempting to solicit or negotiate on behalf of others, a sale, purchase, or exchange of an interest in new or used motor vehicles, irrespective of whether the motor vehicles are owned by that person. Vehicle dealers shall be classified as follows:
- 34 (a) A "motor vehicle dealer" is a vehicle dealer that deals in new 35 or used motor vehicles, or both;
 - (b) A "mobile home and travel trailer dealer" is a vehicle dealer

that deals in mobile homes, park trailers, or travel trailers, or more than one type of these vehicles;

- (c) A "miscellaneous vehicle dealer" is a vehicle dealer that deals in motorcycles ((or)), vehicles other than motor vehicles ((or)), mobile homes and travel trailers, off-road vehicles as defined in RCW 46.09.020, snowmobiles as defined in RCW 46.10.010, or any combination of such vehicles;
- (d) A "recreational vehicle dealer" is a vehicle dealer that deals in travel trailers, motor homes, truck campers, or camping trailers that are primarily designed and used as temporary living quarters, are either self-propelled or mounted on or drawn by another vehicle, are transient, are not occupied as a primary residence, and are not immobilized or permanently affixed to a mobile home lot.
- (5) The term "vehicle dealer" does not include, nor do the licensing requirements of RCW 46.70.021 apply to, the following persons, firms, associations, or corporations:
- (a) Receivers, trustees, administrators, executors, guardians, or other persons appointed by, or acting under a judgment or order of, any court; or
 - (b) Public officers while performing their official duties; or
- (c) Employees of vehicle dealers who are engaged in the specific performance of their duties as such employees; or
- (d) Any person engaged in an isolated sale of a vehicle in which that person is the registered or legal owner, or both, thereof; or
- (e) Any person, firm, association, corporation, or trust, engaged in the selling of equipment other than vehicles, subject to registration, used for agricultural or industrial purposes; or
- (f) A real estate broker licensed under chapter 18.85 RCW, or an affiliated licensee, who, on behalf of another negotiates the purchase, sale, lease, or exchange of a manufactured or mobile home in conjunction with the purchase, sale, exchange, rental, or lease of the land upon which the manufactured or mobile home is, or will be, located; or
- 34 (g) Owners who are also operators of the special highway 35 construction equipment or of the highway construction equipment for 36 which a vehicle license and display vehicle license number plate is 37 required as defined in RCW 46.16.010; or

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- (h) Any bank, trust company, savings bank, mutual savings bank, savings and loan association, credit union, and any parent, subsidiary, or affiliate thereof, authorized to do business in this state under state or federal law with respect to the sale or other disposition of a motor vehicle owned and used in their business; or with respect to the acquisition and sale or other disposition of a motor vehicle in which the entity has acquired an interest as a lessor, lessee, or secured party; or
- (i) Any person who is regularly engaged in the business of acquiring leases or installment contracts by assignment, with respect to the acquisition and sale or other disposition of a motor vehicle in which the person has acquired an interest as a result of the business.
- (6) "Vehicle salesperson" means any person who for any form of compensation sells, auctions, leases with an option to purchase, or offers to sell or to so lease vehicles on behalf of a vehicle dealer.
- (7) "Department" means the department of licensing, which shall administer and enforce the provisions of this chapter.
 - (8) "Director" means the director of licensing.

- (9) "Manufacturer" means any person, firm, association, corporation, or trust, resident or nonresident, who manufactures or assembles new and unused vehicles or remanufactures vehicles in whole or in part and further includes the terms:
- (a) "Distributor," which means any person, firm, association, corporation, or trust, resident or nonresident, who in whole or in part offers for sale, sells, or distributes any new and unused vehicle to vehicle dealers or who maintains factory representatives.
- (b) "Factory branch," which means a branch office maintained by a manufacturer for the purpose of selling or offering for sale, vehicles to a distributor, wholesaler, or vehicle dealer, or for directing or supervising in whole or in part factory or distributor representatives, and further includes any sales promotion organization, whether a person, firm, or corporation, which is engaged in promoting the sale of new and unused vehicles in this state of a particular brand or make to vehicle dealers.
- (c) "Factory representative," which means a representative employed by a manufacturer, distributor, or factory branch for the purpose of making or promoting for the sale of their vehicles or for supervising or contracting with their dealers or prospective dealers.

1 (10) "Established place of business" means a location meeting the 2 requirements of RCW 46.70.023(1) at which a vehicle dealer conducts 3 business in this state.

- (11) "Principal place of business" means that dealer firm's business location in the state, which place the dealer designates as their principal place of business.
- (12) "Subagency" means any place of business of a vehicle dealer within the state, which place is physically and geographically separated from the principal place of business of the firm or any place of business of a vehicle dealer within the state, at which place the firm does business using a name other than the principal name of the firm, or both.
- (13) "Temporary subagency" means a location other than the principal place of business or subagency within the state where a licensed vehicle dealer may secure a license to conduct the business and is licensed for a period of time not to exceed ten days for a specific purpose such as auto shows, shopping center promotions, tent sales, exhibitions, or similar merchandising ventures. No more than six temporary subagency licenses may be issued to a licensee in any twelve-month period.
- 21 (14) "Wholesale vehicle dealer" means a vehicle dealer who buys and 22 sells other than at retail.
- 23 (15) "Retail vehicle dealer" means a vehicle dealer who may buy and 24 sell at both wholesale and retail.
 - (16) "Listing dealer" means a used mobile home dealer who makes contracts with sellers who will compensate the dealer for obtaining a willing purchaser for the seller's mobile home.
 - (17) "Auction" means a transaction conducted by means of exchanges between an auctioneer and the members of the audience, constituting a series of oral invitations for offers for the purchase of vehicles made by the auctioneer, offers to purchase by members of the audience, and the acceptance of the highest or most favorable offer to purchase.
 - (18) "Auction company" means a sole proprietorship, partnership, corporation, or other legal or commercial entity licensed under chapter 18.11 RCW that only sells or offers to sell vehicles at auction or only arranges or sponsors auctions.
- 37 (19) "Buyer's agent" means any person, firm, partnership, 38 association, limited liability company, limited liability partnership,

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or corporation retained or employed by a consumer to arrange for or to negotiate, or both, the purchase or lease of a new motor vehicle on behalf of the consumer, and who is paid a fee or receives other compensation from the consumer for its services.

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- (20) "New motor vehicle" means any motor vehicle that is self-propelled and is required to be registered and titled under Title 46 RCW, has not been previously titled to a retail purchaser or lessee, and is not a "used vehicle" as defined under RCW 46.04.660.
- 9 **Sec. 3.** RCW 46.10.010 and 2005 c 235 s 1 are each amended to read 10 as follows:

As used in this chapter the words and phrases in this section shall have the designated meanings unless a different meaning is expressly provided or the context otherwise clearly indicated.

- 14 (1) "Person" shall mean any individual, firm, partnership, 15 association, or corporation.
 - (2) "Snowmobile" shall mean any self-propelled vehicle capable of traveling over snow or ice, which utilizes as its means of propulsion an endless belt tread, or cleats, or any combination of these or other similar means of contact with the surface upon which it is operated, and which is steered wholly or in part by skis or sled type runners, and which is not otherwise registered as, or subject to the motor vehicle excise tax in the state of Washington.
- 23 (3) "Vintage snowmobile" means a snowmobile manufactured at least thirty years ago.
 - (4) "All terrain vehicle" shall mean any self-propelled vehicle other than a snowmobile, capable of cross-country travel on or immediately over land, water, snow, ice, marsh, swampland, and other natural terrain, including, but not limited to, four-wheel vehicles, amphibious vehicles, ground effect or air cushion vehicles, and any other means of land transportation deriving motive power from any source other than muscle or wind; except any vehicle designed primarily for travel on, over, or in the water, farm vehicles, or any military or law enforcement vehicles.
- 34 (5) "Owner" shall mean the person, other than a lienholder, having 35 the property in or title to a snowmobile or all terrain vehicle, and 36 entitled to the use or possession thereof.

1 (6) "Operator" means each person who operates, or is in physical control of, any snowmobile or all terrain vehicle.

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- (7) "Public roadway" shall mean the entire width of the right of way of any road or street designed and ordinarily used for travel or parking of motor vehicles, which is controlled by a public authority other than the Washington state department of transportation, and which is open as a matter of right to the general public for ordinary vehicular traffic.
- 9 (8) "Highways" shall mean the entire width of the right of way of 10 all primary and secondary state highways, including all portions of the 11 interstate highway system.
- 12 (9) "Dealer" means a person, partnership, association, or 13 corporation <u>licensed as a miscellaneous vehicle dealer under chapter</u> 14 <u>46.70 RCW and</u> engaged in the business of selling snowmobiles or all 15 terrain vehicles at wholesale or retail in this state.
 - (10) "Department" shall mean the department of licensing.
- 17 (11) "Director" shall mean the director of the department of licensing.
- 19 (12) "Commission" shall mean the Washington state parks and 20 recreation commission.
- 21 (13) "Hunt" shall mean any effort to kill, injure, capture, or 22 disturb a wild animal or wild bird.
- 23 (14) "Committee" means the Washington state parks and recreation 24 commission snowmobile advisory committee.
- 25 **Sec. 4.** RCW 46.10.043 and 1982 c 17 s 3 are each amended to read 26 as follows:

Each snowmobile dealer ((registered pursuant to the provisions of RCW 46.10.050)) shall register the snowmobile or, in the event the snowmobile is currently registered, transfer the registration to the new owner prior to delivering the snowmobile to that new owner subsequent to the sale thereof by the dealer. Applications for registration and transfer of registration of snowmobiles shall be made to agents of the department authorized as such in accordance with RCW 46.01.140 and 46.01.150 as now or hereafter amended.

35 All registrations for snowmobiles must be valid for the current 36 registration period prior to the transfer of any registration,

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- 1 including assignment to a dealer. Upon the sale of a snowmobile by a
- 2 dealer, the dealer may issue a temporary registration as provided by
- 3 rules adopted by the department.
- 4 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 46.70 RCW to read as follows:
- The department shall immediately suspend any license issued under this chapter if the holder of the license has been certified under RCW
- 8 74.20A.320 by the department of social and health services as a person
- 9 who is not in compliance with a support order. If the person has
- 10 continued to meet all other license requirements under this chapter
- 11 during the suspension, the department shall automatically reissue the
- 12 license when the department receives a release issued by the department
- 13 of social and health services stating that the person is in compliance
- 14 with the support order.
- 15 <u>NEW SECTION.</u> **Sec. 6.** The following acts or parts of acts are each 16 repealed:
- 17 (1) RCW 46.09.080 (ORV dealers--Permits--Fees--Number plates--Title
- 18 application--Violations) and 1990 c 250 s 24, 1986 c 206 s 5, 1977
- 19 ex.s. c 220 s 7, 1972 ex.s. c 153 s 9, & 1971 ex.s. c 47 s 13;
- 20 (2) RCW 46.09.085 (Selling ORV without use permit) and 2004 c 105 21 s 10;
- 22 (3) RCW 46.10.050 (Snowmobile dealers' registration--Fee--Dealer
- 23 number plates, use--Sale or demonstration unlawful without
- 24 registration) and 1990 c 250 s 26, 1982 c 17 s 5, & 1971 ex.s. c 29 s
- 25 5; and
- 26 (4) RCW 46.10.055 (Denial, suspension, or revocation of dealer
- 27 registration or assessment of monetary civil penalty, when) and 1982 c
- 28 17 s 4.

--- END ---